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8 UNITED STATES DISTRICT COURT  
9 CENTRAL DISTRICT OF CALIFORNIA  
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11 MATTHEW KATZ,

12 Plaintiff,

13 v.

14 DAVID OLAN, et al.

15 Defendants.  
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Case No. 2:23-cv-03004-FLA (SKx)

**ORDER TO SHOW CAUSE WHY  
THE ACTION SHOULD NOT BE  
DISMISSED FOR LACK OF  
SUBJECT MATTER JURISDICTION**

1 Federal courts are courts of “limited jurisdiction,” possessing only “power  
2 authorized by the Constitution and statute[.]” *Kokkonen v. Guardian Life Ins. Co. of*  
3 *Am.*, 511 U.S. 375, 377 (1994); U.S. Const. art. III, § 2, cl. 1. Courts are presumed to  
4 lack jurisdiction unless the contrary appears affirmatively from the record. *See*  
5 *DaimlerChrysler Corp. v. Cuno*, 547 U.S. 332, 342 n. 3 (2006). Additionally, federal  
6 courts have an obligation to examine jurisdiction *sua sponte* before proceeding to the  
7 merits of a case. *See Ruhrgas AG v. Marathon Oil Co.*, 526 U.S. 574, 583 (1999).

8 Federal courts have jurisdiction where an action arises under federal law or  
9 where each plaintiff’s citizenship is diverse from each defendant’s citizenship and the  
10 amount in controversy exceeds \$75,000, exclusive of interest and costs. 28 U.S.C.  
11 §§ 1331, 1332(a). A complaint filed in federal court must contain “a plausible  
12 allegation that the amount in controversy exceeds the jurisdictional threshold.” *Dart*  
13 *v. Cherokee Basin Operating Co., LLC v. Owens*, 574 U.S. 81, 89 (2014). But where  
14 a party contests, or a court questions, a party’s allegations concerning the amount in  
15 controversy, both sides submit proof, and the court decides whether the party claiming  
16 jurisdiction has proven the amount in controversy by a preponderance of the evidence.  
17 *Id.* at 88–89; *see* Fed. R. Civ. P. 12(h)(3) (“If the court determines at any time that it  
18 lacks subject-matter jurisdiction, the court must dismiss the action.”). The same  
19 procedures apply when the existence of complete diversity of the parties is called into  
20 question. *See, e.g., Verb Tech. Co., Inc. v. Baker & Hostetler LLP*, Case No. 2:21-cv-  
21 06500-ODW (MAAx), 2021 WL 4125207 (C.D. Cal. Sept. 9, 2021).

22 The court has reviewed Plaintiff Matthew Katz’s (“Plaintiff”) Complaint (Dkt.  
23 1) and it is not apparent the court has subject matter jurisdiction over this action under  
24 28 U.S.C. § 1332(a). In particular, and without limitation, the court notes that the  
25 Complaint contains scant evidence of the amount in controversy.


26 Accordingly, Plaintiff is ORDERED to SHOW CAUSE, in writing only, within  
27 fourteen (14) days from the date of this Order, why this action should not be  
28 dismissed for lack of subject matter jurisdiction. Defendants David Olan, Olan Law,

1 and Kenzi Levine may, but are not required to, file a written response within fourteen  
2 days. The parties are encouraged to submit evidence and/or judicially noticeable facts  
3 in response to the court's Order. The parties should consider the Order to be an  
4 inquiry into both the facial and factual sufficiency of Plaintiff's demonstration of  
5 diversity jurisdiction. *See Leite v. Crane Co.*, 749 F.3d 1117, 1122 (9th Cir. 2014).

6 As Plaintiff is the party asserting federal jurisdiction, Plaintiff's failure to  
7 respond timely and adequately to this Order shall result in the dismissal of the action  
8 without prejudice, without further notice.

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10 IT IS SO ORDERED.

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12 Dated: July 18, 2023

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15 FERNANDO L. AENLLE-ROCHA  
16 United States District Judge  
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